

Important Outpatient Prospective Payment System (OPPS) APC – ASC

4th Quarter (October) 2014 Update Information

The Michigan Department of Community Health (MDCH) issues a timed release schedule of the annual/quarterly specific software changes for Optum (our MDCH software vendor). Optum and the OPPS Team members closely monitor the CMS site impacting updates. When CMS releases the files, work immediately begins reviewing policy impacts for coverage of Medicaid service(s) for any changes or updated files, (i.e., Integrated Outpatient Code Editor [I/OCE] Specifications, HCPSC, etc.).

The OPPS Team meeting was held September 3, 2014, initiating review of the 4th quarter OPPS (APC and ASC) updates. MDCH anticipates a timely release of state specific files pending CMS release of the most current files.

A timeline is required for Optum to develop the MI specific software version for each OPPS update (including any retro changes), perform quality control, internal development and testing period. An additional 6-8 weeks is required for internal program updates, quality assurance checks, and regression testing. MDCH allows time and consideration for additional CMS changes following the initial CMS release of the quarterly updates. The Optum software programming is separate and distinct from CHAMPS unit acceptance testing (UAT).

Once Optum has developed the MI APC specific software, the product is delivered to CNSI and scheduled as part of a maintenance release. MDCH works directly with Optum during development; however Optum needs adequate time to modify the MI specific APC product and complete internal control steps/development testing with each release. MDCH's OPPS is a Michigan (Medicaid) specific software product, aligning as closely as possible with Medicare.

MDCH's OPPS requires time for modification to be a MI Specific APC and ASC product. The 3rd quarter OPPS updates will be in CHAMPS by late September 2014. MDCH will recycle any OPPS/APC and ASC claims (late October/early November 2014) impacted as a result of the 3rd quarter updates.

OPPS/APC and ASC Wrap Around Code Lists are revised to reflect quarterly updates as well as system updates, and posted timely to the provider specific sites.

MEDICARE 2% SEQUESTRATION

The 2% Sequestration remains in effect through FY 2024 (pending any further congressional intervention). Potential impacts (hospital specific) resulting from the CY 14 changes and proposed CY 15 OPPS changes will be monitored closely. There potentially will be no direct impact on the state with the Medicare continuation in applying the sequestration cuts. MDCH (L-Letter 13-19 May 2013) cited this logic happens after the original processing of the claim. If any adjustments are required, MDCH will respond timely with an OPPS reduction factor adjustment to maintain statewide budget neutrality.

OPPS I/OCE EDITS and MUEs

MDCH reviews these during the quarterly process and updated with the I/OCE. Refer to CMS Change MM 8879 OCE Editor and I OCE R3018CP for the most current information.

4th QUARTER SUMMARY OF CHANGES

The exceptions are posted to the MDCH OPPS APC and ASC Wrap Around Code Lists. These are available on the MDCH provider specific website.

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CHANGES to DEVICE EDITS OCTOBER 2014

Refer to the Device and Procedure Edits at <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/HospitalOutpatientPPS> for a complete list.

CARRIER PRICED LAB CODES – SEPARATE WRAP AROUND CODE LIST

Posted effective date of service (DOS) on/after January 1, 2014, and reviewed quarterly and revised PRN.

OPPS/THERAPY REIMBURSEMENT

For the Medicare Therapy Reimbursement logic, providers may access the Medicare physician fee (MPFS) schedule on the CMS website: <http://www.cms.gov/apps/physician-fee-schedule/overview.aspx>. Providers may also reference and find helpful the Multiple Procedure Payment Reduction (MP under MDCH's OPPS Outpatient Hospital claims billed appropriately with therapy services are reimbursed using the MPFS and the MPPR and then apply the applicable MDCH OPPS reduction factor).

OPPS APC and ASC REFERENCE DOCUMENTS 4th QUARTER – MDCH PROVIDER SPECIFIC WEBSITE

October 2014 Update of the Hospital Outpatient Prospective Payment System (OPPS) MM8873 Revised Related CR#: CR8873

October 2014 Update of the Hospital Outpatient Prospective Payment System (OPPS) CR# 8873

October 2014 Integrated Outpatient Code Editor (I/OCE) Specifications Version 15.3 CR# 8879

October Update to the CY 2014 Medicare Physician Fee Schedule Database (MPHFDB) CR# 8888

October 2014 4th Quarter OPPS ASC Update CR# 8880

October 2014 of the Outpatient Prospective Payment System (OPPS) CR# 8880

2014 – 2015 Influenza (Flu) Resources for Health Care Professional SE 1431

4th Quarter (October 1 – December 31, 2014) OPPS APC Wrap Around Code List

4th Quarter (October 1 – December 31, 2014) OPPS ASC Wrap Around Code List

Carrier Priced Lab Codes – OPPS APC Wrap Around Code List (January 1, 2014 – current)